

M/035/019



STAKER | PARSON
C O M P A N I E S

December 9, 2003

D. Wayne Hedberg
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, UT 84114

Dear Mr. Hedberg:

This letter is in response to your letter dated November 25, 2003, regarding the Division Directive and Request for Transitional Surety for Beck Street.

As you know Staker & Parson Companies has been actively working on the large mine permit for Beck Street, and the JBR Plan was given to your Division in the early part of this year. As you also know there have been several complications regarding several issues with Salt Lake City that have to be researched and resolved, and we are actively working on these issues as we write this letter.

Referencing the Division Directives 1 through 3, and 5 of your letter, here is the following information:

1. Staker & Parson Companies will submit a revised and complete mining and reclamation plan by December 15, 2003.
2. A meeting is currently scheduled for December 11, 2003 at 1:00 pm in the Salt Lake City and County Attorneys Office for all parties to attend.
3. As of today, XL Specialty Insurance is working on a Transitional Bond for the Beck Street Property. It is anticipated the bond will be finished by January 1, 2004.
5. If it looks like the time frames given by the Division of Oil, Gas, and Mining (DOGM) cannot be met, Staker & Parson Companies will notify DOGM of the new dates. Staker & Parson Companies feels like we have worked very closely with DOGM, and at no time have we dragged our feet, or unnecessarily postponed work that needed to be done. Unfortunately, there have been several issues given to us by DOGM concerning Salt Lake City, which needed to be resolved in order for DOGM to accept the JBR Plan. Again, we have been working diligently on resolving these problems.

We appreciate your patience. Please notify me if you have any further questions.

Sincerely,

Randy Anderson
Vice-President Materials and Construction North
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